

**MINUTES OF THE
MUNICIPAL LIGHT BOARD
MAY 21, 2013**

PURSUANT TO notice given the Wellesley Municipal Light Board ("Board") met in the conference room of the Municipal Light Plant's ("MLP") garage and warehouse, 4 Municipal Way, at 5:30 PM.

PRESENT

Those present included Chairman Paul L. Criswell and Commissioners Owen H. Dugan, Katharine Gibson and Edward J. Stewart, III, Municipal Light Plant ("MLP") Director Richard F. Joyce and staff members Joseph A. Bisol, Kevin P. Bracken, Peter Bracken, Trevor P. Criswell, Debra J. Healy, William H. Marsh, Suzanne M. Newark, Donald H. Newell and James W. Verner. Also in attendance were Advisory Representatives Richard F. Woerner and Andrew W. Patten as well as resident Ellen L. Korpi.

APPROVAL OF MINUTES

Upon a motion made by Mr. Stewart and seconded by Ms. Gibson, it was unanimously

VOTED: To approve the April 17, 2013 Public Session Minutes as amended.

CITIZEN SPEAK

The Chairman presented all of those in attendance with the opportunity to speak on matters of interest with respect to the MLP. No one in attendance wished to speak.

DIRECTOR'S ITEMS

Distributed Antenna System ("DAS"). The Director updated the Board on the status of negotiations with American Tower Corporation ("ATC"). The MLP and ATC met to review the DAS Agreement on May 9, 2013 and again on May 15, 2013 via conference call. The MLP staff and consultants identified a number of sections of the agreement that needed further drafting. Given the amount of work required the MLP and ATC agreed to cancel the May 21st meeting and focus on re-writing specific sections. The Board emphasized the importance of drafting a final DAS Agreement and encouraged the staff to take whatever time is required to ensure the MLP and Town of Wellesley's interests are protected.

Financial Statements. Accounting Supervisor, Joseph A. Bisol reviewed the March and Fiscal Year 2013 Financial Statements. Despite the 5% rate decrease that went into effect in October 2012 the MLP's operating revenues in March 2012 and 2013 were almost the same. Wellesley College's commitment to purchase one (1) megawatt of off peak power is primarily responsible for the increased sales. Mr. Bisol noted that the "Total Cash and Equivalents" on the Balance Sheet were \$400,000 above March 2012. A copy of the preliminary Income Statement for April 2013 was distributed to compare the return to normalcy of purchased power costs since the significant increases in January and February. The Board and Director discussed the progress made in hedging energy costs in future years.

Wellesley College. The MLP received confirmation from Wellesley College that the proposed extension terms for the Fifth Amendment to the Electric Supply Agreement

("Agreement") was acceptable with one exception. The College expressed a preference to enter into a one-year Agreement. Wellesley College further agreed to continue their participation in the "Voluntary Renewable Energy Program" and to purchase one megawatt of off peak power from the MLP. All Board Members expressed their appreciation for the College's support of the MLP and especially their participation in the renewable energy program.

Upon a motion made by Ms. Gibson and seconded by Mr. Dugan, it was unanimously

VOTED: To authorize the Municipal Light Plant Director to execute the Wellesley College Fifth Amendment to the Electric Supply Agreement as presented to the Municipal Light Board with the revised term of June 1, 2013 through May 31, 2014.

Administrative Building Addition. Construction of the building addition has proceeded smoothly since the general contractor was replaced. Mr. Joyce projected the total cost to be \$2,650,000. Mr. Bracken reviewed the remaining work schedule and offered to provide everyone in attendance with a tour of the building at the conclusion of the Board Meeting.

Verizon Maintenance Dispute. The Director reviewed Verizon's March 21st response to the MLP's Default notification. Mr. Joyce suggested that the MLP respond to Verizon with two separate and distinct communications.

- Rebuttal of the March 21st correspondence by providing Verizon with poles identified as needing to be replaced four years ago.
- Detailed narrative and photographs of current Default events.

The Board Members were in agreement to respond as suggested. The Chairman recommended revisions to the narrative that summarized Default events. Mr. Dugan was of the opinion that the MLP should be prepared to litigate the Default provision.

Energy New England Ownership. The Director reviewed Energy New England's ("ENE") 2012 audited financial results. The Board expressed their appreciation for the positive energy procurements received from ENE's wholesale group. The Director provided an update on ECHO and the conservation services ENE offers. The Board and staff discussed the opportunities available to Wellesley residents and businesses should public power's Regional Greenhouse Gas Initiative legislation get passed.

Standard & Poor's ("S&P's") Credit Rating. S&P's reaffirmed the MLP's "AA Stable" credit rating.

Board Meetings. The next two Board Meetings were scheduled for 5:30 PM on Monday, June 24th and Monday, July 22nd.

ADJOURNMENT

The Board Meeting adjourned at 6:50 PM.

Respectfully submitted,

Owen H. Dugan, Secretary